

REGULAR CITY COUNCIL MEETING
August 4, 2005

PRESENT:	LouAnn Christensen	Mayor
	Jon Adams	Councilmember
	Reese Jensen	Councilmember
	Bob Marabella	Councilmember
ALSO PRESENT:	Ben Boyce	Director of Parks and Recreation
	Brett Jones	City Engineer
	Kent Jones	City Engineer
	Paul Larsen	Director of Economic Development
	Bruce Leonard	Director of Public Works
	Dennis Sheffield	Director of Finance/Deputy City Recorder
	Mark Teuscher	City Planner
EXCUSED:	Holly Bell	Councilmember
	Alden Farr	Councilmember

Mayor Christensen called the meeting to order. Councilmember Jensen gave a prayer as part of the reference period. The scouts in the audience led the Pledge of Allegiance. The Mayor called for approval of the minutes. Councilmember Marabella noted that on the first page "inured in Iraq" should read "*injured* in Iraq." A motion to approve the minutes of July 21, 2005 as amended was made by Councilmember Adams. The motion was seconded and carried. Mayor Christensen excused Councilmembers Bell and Farr who were out of town. She then presented the agenda as follows:

PUBLIC COMMENT

CONSENT

Request Authorization to Sell City One-Ton Dump Truck to Corinne City
Request for Approval of Resolution Authorizing Penalties on Delinquent Invoices
Resolution Correction Rates for Electric Service Schedule No. 9

NEW BUSINESS

Storm Drain Capital Improvement Cost Summary and Bond Amortization

OTHER BUSINESS

Electronic Voting Machines (*added*)
Bear River Bird Refuge Center Education Tour (*added*)
\$18 million Transportation Bills (*added*)

CLAIMS

Payment Register

The Mayor added the three items under Other Business. Councilmember Marabella made a motion to approve the agenda as amended. The motion was seconded and carried unanimously.

PUBLIC COMMENT

There were no comments from the public.

CONSENT

Request Authorization to Sell City One-Ton Dump Truck to Corinne City
Corinne City made an offer of \$9,500 for the City's one-ton dump truck.

Request for Approval of Resolution Authorizing Penalties on Delinquent Invoices
This resolution would authorize an annual interest rate of 18% on accounts receivable accounts, excluding utility bills, that are 30 days or more past due.

Resolution Correction Rates for Electric Service Schedule No. 9

MOTION: A motion to approve the Consent Agenda was made by Councilmember Jensen, seconded and carried.

NEW BUSINESS

Storm Drain Capital Improvement Cost Summary and Bond Amortization

Mr. Brett Jones came forward and explained that the storm drain fee was established in 1998. The first rate of \$3.50/month was implemented in 1999. Over a three-year period, the City collected approximately \$439,000 in revenue. The operating expenses to maintain the system is an average of \$245,000. This leaves only \$192,000 for projects.

Mr. Jones said there were 96 storm drain projects identified in the capital facilities plan. There have been 13 projects on the list completed; 14 were eliminated; 34 projects are dependent on future development. Nine of the projects could be funded by the proposed bond, and four that could be partially funded by the bond. This leaves 22 additional projects that need to be completed. Most of these would be storm drain improvements in the heart of the City. The cost to complete all these projects is approximately \$17 million.

Mr. Jones continued that with the newly increased storm drain fee of \$5.50/month, the estimated annual revenue is \$868,000.

Mr. Jones said they have narrowed it down to eleven critical projects. The first is on Main Street, because UDOT will be reconstructing Main Street. This would be an opportune time to put storm drain underneath the asphalt. This would include 100 North to 900 North and a stub from Main Street to Box Elder Creek.

Another project is the SR-13 storm drain outfall, which will be the largest project and most expensive. They proposed that the City purchase 214 acres to discharge the water.

Another project is on 800 West and Georgia Drive. They are proposing a 24" line, and a 30" pipe over Georgia Drive. This pipe will continue down Georgia Drive to a drainage channel on 1100 South. They are also proposing a drainage channel to take this water flow to a detention basin on the Zundel property.

A small project, but one that has been needed for some time, is on 500 West. There is a 27" line that drains by the LDS Stake Center into the West Stake Detention Basin. This has never been connected, and they are proposing that this be connected.

Another project will be to address flooding that has occurred near Watery Lane. They propose that the existing channel be improved.

Mr. Jones said they are also recommending improvements at Foothill Elementary School. This would be similar to other park detention facilities.

These projects would cost approximately \$4.8 million.

Mr. Sheffield came forward and reviewed the different options available for funding. He explained that he and Mr. Leonard felt that the money used for emergency projects should be paid back to the utility funds. This was approximately \$600,000. Over a 15-year period, the debt payment for just the projected projects of \$5,495,000 would be an average of \$485,000 per year, with interest of \$1,866,972.50. Adding the \$600,000 to the construction costs, but keeping the payment at \$425,000 would have to be over a 19-year period. The interest on the 19 years would be \$2,411,947.50. The last option would be not to add the \$600,000. With a 15-year bond, the payment would be an average of \$430,000 per year, with interest of \$1,661,603.50.

Mayor Christensen said there are a number of other sources the City is pursuing that can be used for these projects, such as Homeland Security funds. Mr. Sheffield said if the City gets funding from other sources, it can be applied to the bond.

Councilmember Marabella questioned whether it was right to tie the City up for 15-19 years with a bond. The projects range from \$105,000 to \$1.6 million. He suggested the City pay "as we go," then there would be no interest fees. He said he would have a hard time explaining to the citizens why the City needs to spend \$4.7 million to improve the detention ponds when there was recently very serious flooding in the community that

will probably not be seen again in the next 50 years, and the current detention ponds did a great job. If there is storm drain revenue of \$500,000, the \$600,000 could be paid back in one year, then schedule projects over several years. The larger projects could be scheduled over a 3-year period, then the City would actually be making interest on the \$500,000 for three years. Mr. Sheffield said that is definitely an option; however, there is a concern that future councils might take that money and put it elsewhere. Councilmember Marabella said the projects could probably be completed in ten years, if the revenue source remained at \$500,000. Mr. Kent Jones added that if the Council decides to do that, the inflationary trend would have to be added. The advantage of funding the projects with a bond is that they are at today's dollars. Mr. Leonard said the primary factor behind this is that the Main Street project is coming up, and the City has the opportunity to put in the storm drain system without paying the cost of the asphalt, because the state will pay for it. This savings is significant. He added that the Main Street project is more than just Main Street. If the cost for everything tied to the Main Street project is added together, it would be \$3 million or more.

Councilmember Adams said another option is a reduced bond for prioritized projects, and the other projects can be paid as they are done. He added that PUAB has recommended incremental increases in the storm drain utility over the next two years, which will enhance the operating revenue.

Councilmember Marabella said it is still unknown what is going to happen with the reimbursement from FEMA for the flooding. He recommended a work session be scheduled after more information is received about FEMA money. He also suggested Mr. Leonard prioritize the projects based on Main Street, and what that would entail. Mr. Leonard said if there is any money available from FEMA for storm drain work, the City should invest that in the Mayor's Pond.

The Council discussed having another work session.

MOTION: Councilmember Marabella made a motion to schedule a work session for September 29 at 5:30 p.m. to discuss storm drain infrastructure improvements and funding. The motion was seconded by Councilmember Jensen and unanimously carried.

OTHER BUSINESS

Electronic Voting Machines

Mr. Sheffield reported that Mary Kate Christensen, City Recorder, was informed by the County Recorder, who is on the State Election Board, that Brigham City has been selected as one of the three cities in the state to use the state's new electronic voting machines.

Bear River Bird Refuge Education Center Tour

Mayor Christensen said the visioning meeting has been scheduled for August 16 at 6:00 p.m. They have decided to have a tour of the Bear River Bird Refuge Education Center at 5:00 that same night. Councilmembers should meet at the Center.

\$18 million Transportation Bills

Mayor Christensen reported that Brigham City has been notified that the City will receive \$18 million in the Transportation Bill. That includes \$12 million for the Bear River access road, and \$6 million for West Forest Street.

CLAIMS

Warrant Register

Councilmember Jensen moved to approve General Claims dated August 2, 2005 in the amount of \$278,854.10. The motion was seconded and carried.

The Mayor called for a roll call vote to adjourn to an Executive Session. All councilmembers voted aye. The meeting adjourned at 8:05 p.m. The Council returned to an open meeting at 8:22 p.m. and adjourned.